



Municipality of Metropolitan Seattle

Exchange Bldg. • 821 Second Ave., Seattle, Washington 98104

March 6, 1986

Mr. Lee Dorigan
District Inspector
Department of Ecology
State of Washington
4350 - 150th Avenue N. E.
Redmond, Washington 98052-5301

Joint Inspection at Seattle Iron and Metal with Environmental Protection Agency, Department of Ecology and Metro.


Dear Mr. Dorigan:

On December 10, 1985, a site visit at Seattle Iron and Metal was conducted by Dan Tangarone and Jim Pankanin, EPA, Lee Dorigan and Dan Cargill, Ecology and Ray Carveth and myself, from Metro. Soil and water samples were collected at various locations around the site. Some of the problems at Seattle Iron and Metal that were identified during this visit were:

1. Storage of old batteries in unberm, uncovered area.
2. Storage of copper ash in open containers in uncovered area that allowed rain water to drain through containers onto the ground.
3. Water from the copper rinse area was allowed to drain directly into the storm drain.
4. Poor housekeeping measures were evident over the entire site, including improper storage of oil and waste oil in unprotected, unbermed locations and areas where oil spills had occurred without proper cleanup.

If I may be of further assistance to you, please contact me at 447-4816.

Sincerely,


Timothy E. Sample
Water Quality Planner

TES:jl



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(206) 447-2716
800 426-7082
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BMC

BERGSOE METAL CORPORATION

HEAD OFFICE / PLANT
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ST. HELENS, OR 97051
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(503) 397-6510
PORTLAND (503) 241-4796
TELEX 151765

March 7, 1986

To All Our Valued Customers and Suppliers:

Now that the initial shock of our shutdown and closure announcement is behind us, we can answer the many questions that you asked over the telephone recently. Lane fielded all your calls while I was doing the smart thing by leaving town.

Why is Bergsoe closing down?

The United States Congress passed a bill called The Resource Conservation and Recovery Act (RCRA). This bill is administered by the Environmental Protection Agency (EPA) and, in the state of Oregon, by the Department of Environmental Quality (DEQ). On July 5, 1986 a section will be implemented which requires liability insurance of \$6 million, or if liability insurance is not available, a net worth of \$36 million. There is no liability insurance being written by insurance companies for the coverage required, and BMC is unable to meet the net worth requirement for self insurance.

When will Bergsoe stop receiving batteries?

We have stopped taking orders for scrap batteries and hope to receive all of our open purchase orders for scrap batteries by March 31. There will be some people who need a little extra time and we will accommodate you on a case by case basis. You have been supportive of us and we'll do our best to be supportive of you. Call Kim Cox to make your delivery appointments. Your delivery will be expedited if you help us in scheduling.

What should we do with our batteries in the future?

In the past you have had two choices for the disposal of scrap batteries; you could export the batteries or sell them to Bergsoe. The closest secondary lead smelter like Bergsoe in the United States is in Los Angeles. Exporting batteries requires an export

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declaration, as we understand it, that the batteries are drained. If the batteries are wet, some shippers are filing false declarations. If you drain batteries, you must be prepared to drain batteries properly and dispose of the battery acid in an approved manner. The liability for improper storage and handling can be severe. It is possible that many firms will not handle scrap batteries in the future.

What will happen after the plant shuts down?

Bergsoe Metal Corporation, after approval by regulatory agencies, will begin a full RCRA closure. We anticipate that this will take from six to twelve months and will cost more than \$1 million. It is our intention to be good citizens and comply with reasonable regulatory requirements.

Is there any chance that Bergsoe may continue?

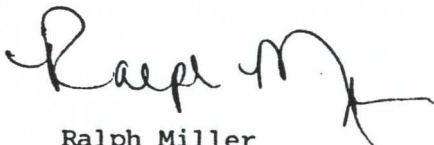
We are hopeful that a larger company that meets the federal law net worth test will be interested in purchasing this company and that Bergsoe will continue. This possibility always exists and will be fully explored if we are approached. It is too early to determine if interested parties are available.

How much longer will Bergsoe have lead available for sale?

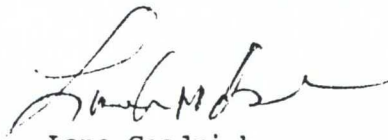
BMC will have certain grades of lead available for sale for an extended time period. We should have a better idea of available finished lead after April 1, and we have encouraged our loyal customers to contact us so that we may continue to meet their needs.

We appreciate your telephone calls and concern for our future. It is nice doing business with people you like. As information accumulates, we will keep you posted.

Sincerely,



Ralph Miller
General Manager



Lane Goodrich
Sales Coordinator

NEWS BRIEFS

REYNOLDS METALS CO., Richmond, Va., remained undecided yesterday on how much aluminum production it will curtail at its Canadian Reynolds Metals Co. Ltd. subsidiary as a result of a labor strike. Union workers struck the 300,000-short-tons-per-year Baie Comeau, Quebec, smelter on Tuesday after they rejected a conciliator's proposals for a contract settlement, according to reports. A three-year contract for the workers expired Dec. 31 but had been extended until this month under Canadian labor law.

ALUMINUM INDUSTRY union officials will meet Sunday in St. Louis to draft proposals for labor negotiations with Aluminum Co. of America, Pittsburgh, and Reynolds Metals Co., according to an official for the Aluminum, Brick and Glass Workers International Union. Contracts with the two companies expire May 31. Union president Erie Labaff said talks with the two aluminum producers may set the pattern for contracts with the rest of the aluminum industry.

MALAYSIAN MINING Corp. is diversifying to be "better placed to withstand the vagaries of the tin industry," which it believes is sustainable despite some uncertainties. A company statement said it would consolidate subsidiaries whose tin mines had substantial

Bergsoe Metal Will Halt Lead Smelter Operations

By NORMAN SCHROEDER

ST. HELENS, Ore.—Bergsoe Metal Corp., a secondary lead smelter here, will be halting operations at the end of May because it cannot comply with new federal environmental laws, according to a company spokesman.

The smelting operation has an estimated capacity of 35,000 tons a year and the pending closure will leave the entire West Coast area with only two secondary lead producers.

RSR and GNB Batteries Inc. both have secondary lead smelters operating in the Los Angeles area.

Bergsoe Metal is owned by Paul Bergsoe & Sons, Denmark, which also has a part interest in a Muncie, Ind., smelter that has been closed and is up for sale.

The spokesman said that the St. Helens operation could not comply with the Resource Recovery Act that takes effect July 3, 1986, and the owners gave permission to start a closure.

Since scrap batteries have been declared hazardous waste for smelters, the insurance requirement is \$6 million for possible environmental damage or a net worth of \$36 million in order to be a self-insurer. He said the insurance was impossible to secure and the company does not meet the other financial requirement.

According to an industry consultant, Bergsoe is the second smelter that decided to halt operations because of the regulations. Chloride Battery Co., Tampa, Fla., stopped smelting in August 1985, he said.

He claimed that insurance companies will not undertake the risk. "The premiums would have to cover the full potential liability," he stressed.

He predicted that all independent secondary lead smelters with a worth of less than \$35 million would be forced to leave the business. He said the surviving smelters likely would include the major independents and those that are captive operations of the new battery makers.

Spain Gets Temporary Respite From EEC's Exports of Steel

By SHADA ISLAM

BRUSSELS (FNS)—The European Economic Community has accepted Spanish demands for temporary protection from a recent surge in exports of steel from its new EEC partners.

Karl Heinz Narjes, the EEC

The commission's moves come just days after Juan Majo, the Spanish industries minister, threatened to take safeguard action against such major EEC steel exporters as West Germany and the Benelux states.

Madrid claims that EEC steel